

JUMBO MINING COMPANY

6305 Fern Spring Cove
Austin, Texas 78730

Tel. (512) 346-4537
Fax (512) 346-3188



March 29, 1996
FILE: DWQ32996

Mark Novak
Department of Health
Division of Water Quality
288 North 1460 West
P.O. Box 16890
Salt Lake City, UT 84118-0690

RE: Response to DWQ's letter dated January 18, 1996
concerning ground water permitting and plan to
control runoff of contaminants from existing heaps.

Dear Mr. Novak:

We have received your letter dated January 18, 1996 and wish to
submit the following comments on our amended ground water
permit and runoff from the existing heaps.

AMENDED GROUND WATER PERMIT APPLICATION

Jumbo is still evaluating our proposed restarting of mining
activities at the Drum Mine as to the timeframe and how much of
the older heap material we will be reprocessing. The quantity
of older material determines the size of the new heap and the
quantity is determined by the amount of gold remaining in the
heaps, crushing and stacking costs, pad costs, price of gold,
etc.

At this time we are requesting an additional 90 days before we
submit our amended ground water permit application.

WATER DISCHARGE FROM EXISTING HEAPS

We received a letter from Division of Oil, Gas and Mining
(DOGM) dated July 11, 1995 which required Jumbo to submit a
maintenance plan to control discharge from the existing heaps.
We had already sampled our ponds and heap runoff from the 4/5
heap in June and submitted a letter dated August 8, 1995 to
DOGM containing the sampling results along with comments. The

letter was mistakenly not copied to DWQ but a copied is enclosed. The results of our sampling showed that WAD cyanide and metals were below drinking water standards and, therefore, no remediation or containment of heap discharge is needed and the heaps should be allowed to drain freely.

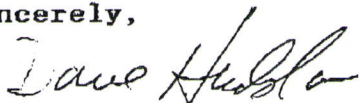
In any event, since all the heap discharges were not sampled, we will sample runoff from each of the heaps after the next large rainfall. Strict sampling and analytical protocol will be followed and will include:

- Sampling of the heaps during the final draindown after a large spring storm
- Calculating the amount of runoff from each heap
- Collecting samples in laboratory provided sample containers
- Labeling and storage of sample in an ice chest at approximately 40 degrees F
- Transporting of the samples to American West Analytical under chain-of-custody protocol for WAD cyanide, total cyanide, arsenic, cadmium, chromium, lead, mercury, nitrate, chloride and TDS

The sampling date will be determined by the next rainfall, hopefully in 2-3 weeks. The analytical results of the heap discharges will determine if the heaps are rinsed to industry standards or if further action is needed. A copy of the results will be mailed to you.

If you have any questions, please call me at 801-864-4697.

Sincerely,



Dave Hartshorn
Project Manager